

**§ 359.39 How are redemption values calculated for definitive Series I savings bonds?**

We determine the redemption value of a definitive savings bonds for the accrual date (the first day of each month) by first determining the composite rate as defined in § 359.13. If the result of the composite rate calculation is a negative value, zero will be the assumed composite rate in the redemption value calculation. Redemption values are calculated using the following formula (For examples of the calculation, see appendix A to part 359):

$$FV = PV \times \{[1 + (CR \div 2)]^{(m \div 6)}\}$$

Where:

FV (future value) = redemption value on the accrual date rounded to the nearest cent without consideration of penalty.

PV (present value) = redemption value at the beginning of the semiannual rate period calculated without consideration of penalty. For bonds that are older than five years, PV will equal the redemption value at the start of the semiannual rate period.

CR = composite rate converted to decimal form by dividing by 100.

m = number of full calendar months elapsed during the semiannual rate period.

**§ 359.40 How can I find out what my definitive Series I savings bonds are worth?**

(a) *Redemption values.* Redemption values are available for definitive bonds in various formats and media.

(1) You may determine the redemption value for definitive bonds on the Internet at [www.savingsbonds.gov](http://www.savingsbonds.gov).

(2) You may download savings bonds calculators from the Internet at [www.savingsbonds.gov](http://www.savingsbonds.gov).

(3) You may obtain paper tables from the Bureau of the Public Debt, Parkersburg, West Virginia 26106-1328. We reserve the right to cease making paper tables of redemption values available.

(b) *Redemption penalty.* Redemption values published in the tables reflect the three-month interest penalty applied to bonds redeemed prior to five years from the date of issue.

**§ 359.41–359.44 [Reserved]**

**Subpart C—Book-Entry Series I Savings Bonds**

**§ 359.45 How are book-entry Series I savings bonds purchased and held?**

Book-entry bonds must be purchased and held online through your New Treasury Direct account. We provide instructions for opening an account online at <http://www.publicdebt.treas.gov>.

**§ 359.46 What are the denominations and prices of book-entry Series I savings bonds?**

Book-entry bonds are issued in a minimum amount of \$25, with additional increments of one cent. Book-entry bonds are sold at par value.

**§ 359.47 How is payment made for purchases of book-entry Series I savings bonds?**

You may only purchase book-entry Series I savings bonds online through your New Treasury Direct account. You may pay for your securities through a debit to your designated account at a United States depository financial institution, or by applying the redemption proceeds of a certificate of indebtedness held in your New Treasury Direct account.

[69 FR 50308, Aug. 16, 2004]

**§ 359.48 How are redemption payments made for my redeemed book-entry Series I savings bonds?**

We will make payments electronically by direct deposit, using the ACH method, to your designated account at a United States depository financial institution. You may also direct that a payment be used to purchase a certificate of indebtedness to be held in your New Treasury Direct account.

[69 FR 50308, Aug. 16, 2004]

**§ 359.49 What is the issue date of a book-entry Series I savings bond?**

The issue date of a book-entry Series I savings bond is the first day of the month in which the security posts to the current holdings of the account owner.

[69 FR 50308, Aug. 16, 2004]